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Review of the efficiency of the administrative 4 and financial functioning of the United Nations

Second progress report on the accountability system in the United Nations Secretariat

Report of the Secretary-General

Summary

The Secretary-General has the honour to transmit to the General Assembly a report on progress made towards the implementation of the accountability framework, as requested by the General Assembly in its resolution 66/257. The report highlights progress made over the past year in a number of areas of specific interest to Member States and proposes an immediate plan of action for strengthening accountability, with particular emphasis on the implementation of enterprise risk management and a conceptual framework for results-based management. The conceptual framework includes a governance structure for results-based management and designates the Under-Secretary-General for Management as the senior official responsible for the implementation of results-based management in the Secretariat.

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I. Introduction

1. The present report is submitted in response to General Assembly resolution 66/257, which requested the Secretary-General to submit for its consideration an annual report on progress made towards the implementation of the accountability framework in the United Nations Secretariat.

2. In keeping with General Assembly resolution 66/257, the report describes the progress made over the past 12 months in the following areas, with particular emphasis on the implementation of enterprise risk management and a conceptual framework for results-based management:

- Definition of accountability and roles and responsibilities
- Promoting a culture of accountability
- Delegation of authority
- Implementation of the recommendations of oversight bodies
- Personal and institutional accountability
- Reform of the performance appraisal system
- Holding staff accountable for mismanagement and improper decisions
- Enterprise risk management and internal control framework
- Performance reporting, implementation of the results-based management framework and results-based management information system
- Strengthening accountability in the field missions
- Concrete measures to prevent potential conflicts of interest

3. The details on accountability measures and their application are included in an annex to the present report which provides a trend analysis of the impact of certain accountability tools related to institutional and personal accountability. In addition, the annex includes data regarding disciplinary measures that have been imposed over the past 10 years and data on the Financial Disclosure Programme since its expansion in 2006. The Secretary-General is committed to systematically collecting and sharing this type of data and trend analysis for these and other accountability tools in future reports.

II. Definition of accountability and roles and responsibilities

4. The General Assembly, in its resolutions 64/259 and 66/257, requested the Secretary-General to further strengthen consultation and cooperation with the oversight bodies as he pursues the implementation of the accountability framework. In this context, it is worth noting that the Joint Inspection Unit and the Board of Auditors have provided separate reports to the General Assembly during the past two years, in which they have pronounced themselves on the accountability system of the Secretariat or on issues that are closely related to the subject matter.[1] In addition, the Office of Internal Oversight Services (OIOS) has prepared relevant

[1] See A/66/710, A/67/5 (Vol. I) and A/66/5 (Vol. II).

reports on the inspection of programme-level monitoring and evaluation that have addressed some issues related to the implementation of results-based budgeting. In analysing the strengths and weaknesses of its accountability system developed so far, the Secretariat took into account the various observations and recommendations made by the oversight bodies made in the past two years.

5. In addition to analysing these reports, the Secretariat conducted a document review of four United Nations system organizations that were found by the Joint Inspection Unit to have stand-alone accountability frameworks that have been approved by their governing bodies (United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF), United Nations Office for Project Services (UNOPS) and United Nations Population Fund (UNFPA)). The Secretariat examined these in relation to the components of its own framework and the definition of accountability endorsed by Member States. Of particular interest to the Secretariat, the study revealed that two organizations, UNDP and UNICEF, have moved forward in the area of transparency. UNDP has launched a new transparency portal that allows public access to data on its work in 177 countries and territories, and UNICEF is implementing a policy to make public its internal audit reports.[2]

6. In its report on accountability frameworks in the United Nations system, the Joint Inspection Unit commended the Secretariat's accountability system for including most of the key components that must be part of an accountability framework (see A/66/710). It highlighted the strengths of the framework and provided the following reasons for its commendation. The framework contains a clear definition of accountability and a political covenant with Member States; documents clearly the internal control systems; is the only framework to have included a system of senior manager compacts with the Secretary-General; refers to the need for a centralized evaluation function; points to a whistle-blower protection policy; includes as a practice in disciplinary matters the open publication by the Secretariat of a list of sanctions imposed by the Secretary-General by type of misconduct; and includes an investigation function with one of the highest numbers of professional staff in place.

7. Nevertheless, the Joint Inspection Unit identified the following weaknesses in the Secretariat's accountability system:

(a) Lack of an information disclosure policy;

(b) General lack of reference and acknowledgement of the importance of a culture of accountability;

(c) Need to articulate an anti-fraud policy;

(d) Need to clearly align and integrate the chain of command and delegation of authority into existing enterprise resource planning systems;

(e) Need to correct the existing limitations in the area of performance assessment of staff (this was identified as one of the biggest weaknesses among the Joint Inspection Unit participating organizations).

[2] As described in paragraph 9, although the Secretariat does not yet have a policy for the disclosure of public information owing to resource limitations, the report of the Secretary-General (A/66/674) contains a proposal to make public the internal audit reports of the Secretariat, which will be considered by the General Assembly at its first part of its resumed sixty-seventh session.

8. The Secretariat agrees with these findings and is working hard to address them. In terms of an information disclosure policy, a significant amount of information was gathered six years ago for a proposal on public access to United Nations documentation, including its financial implications. Given the increasing use of online access to information and documentation, it is likely that this proposal will require further review and updating. It should be noted, however, that preliminary estimates of its earlier version were between $5 million and $6 million. Therefore, any new proposal on this subject will likely have budget implications.

9. As a step forward on information disclosure, a proposal to make all OIOS reports available to the public is currently before the General Assembly (see A/66/674). Making its reports public would enhance transparency and accountability with regards to the efficiency and effectiveness of the operations of the United Nations Secretariat; improve public opinion about the Organization, since internal audit reports outline operational strengths; and improve awareness of the commitments of the Organization and its actions to address reported deficiencies in a responsible and timely manner.

10. In addition, the Secretariat has all of the components of an anti-fraud policy and plans to consolidate them in the portal "Accountability A to Z" in order to make information about this subject more accessible to staff at all levels. The Secretariat intends to integrate delegations of authority into the Umoja "to-be" design. In addition, it continues to fine-tune the Performance Management and Development System, including through the ongoing global roll-out of a mandatory performance management and development learning programme for managers and supervisors.

11. The Board of Auditors, in its report (A/67/5 (Vol. I) and Corr.1 and 2), identified the following needs in regard to the overall accountability system in the Secretariat:

(a) Develop more outcome-focused objectives and indicators of achievement in the programme and planning processes of the Organization;

(b) Integrate financial and performance reporting better at all levels in the Organization and build that into its thinking about the design and implementation of the new enterprise resource planning system (Umoja);

(c) Assign the specific responsibility for the successful implementation of results-based management to a relevant member of the senior management team;

(d) Consider fully implementing a management assurance system which requires managers at all levels to periodically provide senior management assurance on the effectiveness of internal controls in their sphere of control to test both understanding and compliance at all levels;

(e) Require the Management Committee to periodically identify the top risks facing the Organization and communicate that information to all managers, and develop high-level and regular (monthly) reporting on the current status of the risks and associated mitigating strategies.

12. In addition, in its report (A/66/5 (Vol. II)) pertaining to the audited financial statements of peacekeeping operations, the Board of Auditors highlighted a concern that had been raised in a previous report on "the lack of a clear linkage between the results-based budgeting framework and resource requirements and insufficient

in-year monitoring of progress and performance" and made the following recommendations:

(a) Continue to communicate with the Umoja team to ensure that the requirement for improvement of linkages between results-based budgeting frameworks and resource requirements is duly considered during the budget formulation module design-and-build phase;

(b) Identify how both existing systems and Umoja can be used to develop and implement cost-accounting principles more widely.

13. In order to provide senior management with assurances regarding the effectiveness of internal controls, in 2012, the directors and chiefs of mission support of all peacekeeping and special political missions submitted letters of representation to serve as an internal control measure and management accountability tool. The letters were submitted to the Under-Secretary-General for Field Support through the heads of mission. The letters gave assurances that those directors and chiefs had managed the financial, the human, the information and the communications technology and physical resources placed under their stewardship in compliance with the applicable United Nations regulations and rules.

14. In the case of all other duty stations, the enterprise risk management and internal control policy endorsed by the Management Committee in May 2011 required the creation of a similar mechanism through which each Under-Secretary-General would annually confirm through a certification report their responsibilities for the proper application of the principles and the requirements of the enterprise risk management framework and the establishment and maintenance of a strong internal control environment as a result of the risk assessment process. The completion of the Secretariat-wide enterprise risk assessment and the development of an internal control framework for the Organization, as described in section IX of this report, are prerequisites for this representation. The certification will be subsequently adopted gradually department by department, as the enterprise risk management and the internal control framework will be progressively implemented across the Organization over time, considering the limited resources dedicated to this effort. Once implemented, this mechanism will cascade through the chain of command under each corresponding Under-Secretary-General.

15. The Secretariat is also addressing the other concerns raised by the Board of Auditors, and the specific steps taken in this regard are discussed in the sections of this report on results-based management and enterprise risk management.

16. As noted above, OIOS issued some reports on the inspection of programme-level monitoring and evaluation, which are relevant to accountability and results-based budgeting. In one of those reports, OIOS raised concerns with regard to the weak results orientation of some of the indicators of achievement included in the programme of work of a department of the Secretariat. The report mentioned that "there are still some indicators that remain defined at the output rather than outcome level".[3] In another report, OIOS criticized the self-evaluation activities implemented in another department, stating that the self-evaluation work

[3] See Office of Internal Oversight Services, Inspection of Programme Level Monitoring and Evaluation of the United Nations Environment Programme, Inspection report: "Opportunities exist in UNEP's quest for a more effective and useful monitoring system", Assignment No. IED-12-004, 19 December 2012 (Reissued).

is done on "an ad hoc basis and there is no clear policy on its role or purpose, nor adequate guidance on its conduct".[4] These are two fundamental issues that are being addressed in the context of the conceptual framework for results-based management that is described in paragraphs 64 to 102 of the present report.

17. The Secretariat also stays abreast of and shares accountability-related best practices and experiences throughout the United Nations system and among partner organizations through its participation in communities of practice (e.g., enterprise risk management); professional networks (e.g., United Nations strategic planning network); and bilateral meetings. The Secretariat recently shared information with UNDP about the development of the website "Accountability A to Z" and the senior managers' compacts.

III. Promoting a culture of accountability

18. Promoting a culture of accountability is an ongoing process that starts with and is continually reinforced by the tone at the top. The Secretary-General has set the tone by repeatedly affirming his absolute commitment to strengthening accountability at all levels of the Organization. The Management Committee, the Policy Committee and the Management Performance Board also play a role in setting the tone as they monitor and provide strategic advice regarding managerial reform and thematic and accountability-related issues in the Secretariat. The tone at the top in the Secretariat is also strengthened through the senior managers' compacts, the website "Accountability A to Z" and other outreach efforts on iSeek, as well as the provision of training related to performance management and development.

19. Promoting a culture of accountability is about reinforcing the components of the accountability system of the Secretariat in areas such as ethics and integrity, strengthening the work of the oversight bodies, and progressively incorporating the findings of the new system of justice into the accountability chain. It is also about implementing new accountability-related initiatives, such as enterprise risk management, and the improvement of the Secretariat systems of rewards, recognition and sanctions, all of which are works in progress.

20. For example, ethics and integrity now feature prominently in the induction programme for senior leaders. Participants (newly appointed leaders at the level of Under-Secretary-General and Assistant Secretary-General) are assigned background reading that includes a comprehensive chapter entitled "Ethics, integrity and oversight", which was prepared with input from OIOS and the Ethics Office. It provides, inter alia, an overview of the United Nations ethical framework, standards of conduct, duties and obligations, and the role of OIOS. Face-to-face briefings in the first two pilot programmes covered topics related to being an international civil servant, the Charter of the United Nations, the role of the Office of the Ombudsman and Mediation Service, the Management Evaluation Unit and the administration of justice system.

[4] See Office of Internal Oversight Services, Inspection of Programme Level Monitoring and Evaluation of the Office for the Coordination of Humanitarian Affairs, Assignment No. IED-12-001, 12 December 2012 (Reissued).

21. In addition, each newly appointed leader participates in an individual briefing with the Ethics Office, which covers their responsibility for financial disclosure and organizational expectations with regard to their accountability in the context of the ethical framework. To date, the programme has been focused on newly appointed leaders at Headquarters. Efforts are now under way to adapt the content and methodology to ensure access to this information for senior leaders appointed in the field and offices away from Headquarters. The Secretariat also intends to adapt the content in the future for use in the induction of staff at the level of Director.

22. The Leadership Dialogues programme, developed by the Ethics Office, is another recent initiative intended to set the tone at the top and promote a culture of accountability at all levels of the Organization. Through the initiative, once a year, all Secretariat staff in all locations will participate in a one-hour discussion about a specific ethics and integrity issue, led by their direct manager. The topic for the 2013 inaugural Leadership Dialogue is "What does it mean to be an international civil servant?".

23. Each session will begin with a video of the Secretary-General discussing what the international civil service means to him. Each individual Under-Secretary-General, or other senior leader for the department or office, will then lead a discussion with his/her direct reports, and the sessions will cascade downward throughout each division or office until all staff members have engaged in a dialogue with their immediate manager. The sessions allow managers to:

(a) Demonstrate their commitment to ethical leadership;

(b) Build trust and confidence by actively discussing ethical issues in the workplace;

(c) Highlight the direct connection between individual action and the reputation of the United Nations as an Organization.

24. Another means of promoting a culture of accountability is through the management evaluation process, the first formal step in the new system of administration of justice. This process appears to be having a positive impact on accountability, as the percentage of contested administrative decisions that were upheld by management evaluation reviews increased from 63 per cent in 2009, when 49 of 78 contested decisions were upheld, to 93 per cent in 2011, when 168 of 180 contested decisions were upheld. The requirement for managers to explain the basis for their decisions contributes to accountability and the fact that a managerial decision is reversed is itself an accountability measure, which serves as a lesson learned by the manager who made the contested decision and the head of his or her office.

25. Generally speaking, an organization's culture of accountability is comprised of the norms, the expectations, the values, the habits, the standards, the approaches, the attitudes, the relationships and a series of other elements that go beyond acknowledging its importance in a document or posting a declaration of principles on its website. Promoting such a culture in the Secretariat is about having its objectives, goals and expectations clearly understood by staff members at all levels and assumed as their own. It is about monitoring and reporting on progress made towards these objectives and goals and, more importantly, following through with consequences. It is also about providing avenues for open discussion and feedback and creating a relationship of trust and respect with its stakeholders. Although

weaknesses still exist, these are areas where the Secretariat has been introducing changes over the last several years. As a culture of accountability tends to be "intangible, but yet palpable",[5] the challenge for the Secretariat in this area remains twofold: ensuring the proper communication of these changes to the staff as they take hold to make sure that they influence the prevailing culture in the Organization, and documenting these changes and their interdependence so they are easier to communicate. These are two areas where the Secretariat is committed to doing more in the coming years.

IV. Delegation of authority

26. As discussed in the last progress report on strengthening accountability (A/66/692), the Department of Management has conducted a comprehensive review and mapping of delegated authority related to human resources management, financial management, budgeting, procurement and property management. However, these mappings were delineated taking into consideration the starting points in these areas in terms of process flows and governance structures at the time of their elaboration. These mappings will be further revised and adjusted in the context of the new common business models to be used across the Secretariat globally following the implementation of Umoja (the so-called "to-be" model), as well as in response to opportunities that might be presented for future service delivery.

V. Implementation of the recommendations of oversight bodies

27. The Management Committee dedicates quarterly meetings to oversight issues and invites one of the oversight bodies, including the Independent Audit Advisory Committee, to each of these meetings. The Under-Secretary-General for Internal Oversight Services participates, as an observer, in all oversight-related meetings. The Management Committee places special emphasis on the follow-up of outstanding critical recommendations by OIOS and main recommendations of the Board of Auditors.

28. This quarterly dialogue has strengthened management's relationship with the oversight bodies, sensitized managers to the importance of timely implementation of the recommendations of the oversight bodies, and enabled an ongoing exchange on oversight and accountability issues and on systemic risks faced by the Organization.

29. In addition to these quarterly meetings, the Under-Secretary-General for Management meets regularly with the oversight bodies to discuss their key findings and other matters of strategic importance. He also meets quarterly with the Independent Audit Advisory Committee, which has a standing agenda item on oversight, accountability and risk management matters.

30. In its most recent report to the General Assembly (A/67/259 and Corr.1 and 2), the Independent Audit Advisory Committee acknowledged the work of the Management Committee in ensuring that the main recommendations of the Board of Auditors are implemented expeditiously, and it also noted that the Management Committee was monitoring all critical OIOS recommendations on a quarterly basis.

[5] See Karen Natzel, "Creating a culture of accountability", DJC Oregon (24 July 2012).

31. As stated in the last progress report on strengthening accountability, increased attention to oversight issues and monitoring of recommendations has resulted in a positive trend in the implementation of recommendations in the Secretariat: within three years of their issuance, approximately 95 per cent of OIOS and the Board of Auditors recommendations have been implemented or are not being monitored because they have been overtaken by events.

VI. Personal and institutional accountability

A. Umoja governance structure

32. As requested in paragraph 18 of resolution 66/257, the Secretariat has implemented the governance structure of the Umoja project. The General Assembly acknowledged this progress in paragraph 8 of its resolution 67/246, in which it welcomed "the steps taken to address the Umoja governance crisis, in particular the measures taken thus far to allocate responsibility and accountability for the project and to clarify the roles of the project owner, the Project Director and the process owners, and the designation of the Under-Secretary-General for Management as the main owner of the project and Chair of the Steering Committee for the project".

B. Senior managers' compacts

33. The senior managers' compacts are a key mechanism through which the mandates of the Member States and the annual priorities of the Secretary-General cascade throughout the Organization. The compacts cross-reference the objectives and expected results identified in the programme planning and budget documents and include measurable performance indicators against which to assess the senior managers' performance related to their annual priorities and a set of managerial indicators that are standard for all senior managers. These priorities are meant to cascade from the compacts of the Under-Secretaries-General to the Assistant Secretaries-General and be reflected in divisional and staff workplans.

34. Each year since the introduction of the compacts in 2006, the Management Performance Board has strengthened the compact as an accountability tool. For example, in 2010 a narrative component was added whereby senior managers were asked to indicate how they proposed to pay particular and personal attention to the attainment of the key priorities stated in their compact. This addition was meant to remind senior managers that the compact was not merely a compliance instrument, but rather a managerial tool for the senior managers themselves and an accountability mechanism for the Secretary-General.

35. In 2011, the compact was redesigned to be aligned with the definition of accountability provided by Member States in resolution 64/259, including an emphasis on proactive risk management. For the first time, language was included to commit the senior managers to ensuring that the objectives included in their compact would be reflected in the workplans and performance assessments of their staff at all levels. This cascading is further reinforced by the Performance Management and Development System, which states that priorities of heads of departments, offices and missions are translated into unit and individual workplans.

36. The 2013 senior managers' compacts have been strengthened through better alignment with key transformational reform initiatives, such as Umoja and the International Public Sector Accounting Standards. They also take into account lessons learned on organizational resilience management. The compact also clarifies what is required of each senior manager in this critical phase of implementation of key initiatives.

37. A trend analysis showing that the compacts have had a noticeable impact on senior managers' performance on key managerial indicators is included in annex I.

VII. Reform of the performance appraisal system

38. The introduction of the Performance Management and Development System in April 2010 (see ST/AI/2010/5) represented a progressive step towards increased accountability in the Organization. While many of the core elements of the enhanced performance management and development system remain the same, the improvements aim to promote increased accountability for optimized performance at all levels and to ensure ongoing feedback, motivation and recognition.

39. The previous policy, supported by the electronic performance appraisal system (e-PAS), has been replaced by administrative instruction ST/AI/2010/5. The 2010 policy improved on the previous policy by providing additional clarity on the roles of stakeholders, including staff members, managers, heads of departments, offices and missions and the Organization as a whole and by reinforcing the connections between individual workplans and other mechanisms in the accountability framework, including senior managers' compacts, departmental workplans and budget fascicles. It also presented a section on handling underperformance.

40. To support the roll-out of administrative instruction ST/AI/2010/5, the Secretary-General introduced a mandatory Performance Management and Development Learning Programme for managers and supervisors in 2011. This new learning programme is applicable to all managers and supervisors, regardless of their level, and has been rolled out globally. As at November 2012, over 50 per cent of managers in departments, offices and missions had been trained. The learning programme reinforces best practices in performance management and development. It emphasizes, in particular, the linkage between individual workplans and mandates of the Organization and the need to effectively address underperformance.

41. The Staff-Management Committee working group on performance management and development is currently considering ways in which the performance management policies, practices and processes of the Organization can be improved. The working group is studying best practices in the private sector and United Nations entities and working with the findings of the Global Joint Monitoring Group to arrive at solutions that would be optimal for the Secretariat.

42. Through its deliberations, the working group is aware that improving the performance management policy, process and electronic tool (e-Performance) is not enough to ensure greater accountability. It is therefore focusing on three specific issues in particular — the role of senior management teams, dealing with underperformance, and rewards and recognition — to ensure that the performance management culture of the Organization becomes more results-oriented.

43. Additionally, the working group has drafted a paper on rewards and recognition based on the International Civil Service Commission framework and practices from United Nations entities. The paper is intended to stimulate debate within the Organization on ways to recognize and reward excellent performance, in accordance with General Assembly resolutions. The working group is expected to submit concrete recommendations to the Staff-Management Committee 2013 annual meeting.

VIII. Holding staff accountable for mismanagement and improper decisions

44. In paragraph 19 of its resolution 66/257, the General Assembly requested "the Secretary-General to further develop and take appropriate measures to hold staff accountable for mismanagement and wrongful or improper decisions and to strengthen efforts to increase recovery actions against those convicted of fraud in the Organization". As described in the most recent report on the Administration of Justice at the United Nations (A/66/275 and Corr.1), the Secretariat is carefully analysing the jurisprudence from the Tribunals that is related to disciplinary cases and considering how it can strengthen its handling of such cases.

45. It should be noted that the Joint Inspection Unit, in its comparative analysis of accountability frameworks in the United Nations system, commended the Secretariat accountability system for including as a practice in disciplinary matters the open publication by the Secretariat of a list of sanctions imposed by the Secretary-General by type of misconduct (see A/66/710).

46. The annex I to this report includes a summary of the categories of misconduct cases handled by the Secretary-General over the past 10 years and the types of disciplinary measures that have been imposed.

47. A recent development that will strengthen the ability of the Organization to recover funds is the approval by the General Assembly, in resolution 67/240, of a change to the United Nations Joint Staff Pension Fund regulations to allow the Fund, in very specific circumstances, to pay a portion of a retiree's benefit directly to the retiree's former employing organization in cases where amounts had been embezzled by the staff member from the Organization.

IX. Enterprise risk management and internal control framework

A. Background

48. Recognizing the importance of a systematic approach to the implementation of enterprise risk management and internal control, by its resolution 64/259, the General Assembly requested the Secretary-General to enhance "the current capabilities in the Secretariat responsible for risk assessment and mitigation and internal control".

49. The enterprise risk management and internal control policy, endorsed by the Management Committee in May 2011, and the methodology that complements the

policy, provide the basis for the implementation of a comprehensive enterprise risk management framework in selected departments representing different functional areas of the activities of the Secretariat. Considering the limited resources currently dedicated to the project,[6] the process of embedding enterprise risk management across the Organization is following a gradual approach. Working with focal points at the department level, pilot exercises were carried out at the Economic and Social Commission for Latin America and the Caribbean (ECLAC) and the Procurement Division at Headquarters. Implementation is currently under way, at different stages, at the Office for the Coordination of Humanitarian Affairs, the Economic and Social Commission for Western Asia (ESCWA) and the Capacity Development Office of the Department of Economic and Social Affairs. Some offices or departments, such as the United Nations Human Settlements Programme and the United Nations Environment Programme, are in a preliminary planning stage, while others, such as the Departments of Field Support and Peacekeeping Operations, Umoja and the capital master plan, are moving forward with implementation methodologies that are broadly aligned with the overall approach adopted by the Secretariat.

50. Following the conclusion of a two-day inter-agency workshop on enterprise risk management, held in New York in June 2011 under the auspices of the High-level Committee on Management, a community of practice, formally endorsed by the Committee in October 2011, has been developed in Unite Connections, the United Nations Secretariat social networking platform. The community of practice, an important tool for sharing documentation and best practice and holding virtual forums and discussions, already includes over 65 practitioners representing virtually all entities of the United Nations system and other international organizations, such as the Organization for Economic Cooperation and Development and the International Monetary Fund. As part of the ongoing communication efforts, a dedicated web page on iSeek has also been established as part of the website "Accountability A to Z".

51. To enhance the understanding of basic risk management concepts across the Secretariat, the Office of the Under-Secretary-General for Management developed an e-learning programme on enterprise risk management, which should be completed and made available to all staff members through the learning management system in Inspira by early 2013. The programme includes a message from the Secretary-General to staff members at all levels on the strategic importance of the initiative.

B. Secretariat-wide risk assessment

52. In April 2012, by its resolution 66/257, the General Assembly welcomed "the progress made by the Secretary-General towards the development of the enterprise risk management framework". The Assembly also stressed, among other matters, that "the General Assembly is responsible for determining the risk tolerance of the

[6] Currently only one P-4 level staff member is dedicated for this function in the Office of the Under-Secretary-General for Management, although certain departments/offices (such as the Department of Field Support and the Office for the Coordination of Humanitarian Affairs) have been moving forward with the implementation of enterprise risk management and have been dedicating resources for this purpose in a decentralized manner.

Organization" and expressed "its concern over the lack of detailed analysis by the Secretary-General with regard to the key risk areas of the United Nations".

53. In November 2012, in response to the concern of the General Assembly, the Management Committee, which serves as the enterprise risk management committee for the Organization, requested the Office of the Under-Secretary-General for Management to implement a Secretariat-wide enterprise risk assessment to identify the top strategic risks for the Organization and related managerial responses. The Committee also decided to continue to review progress in the implementation of the enterprise risk management and internal control framework on a quarterly basis.

54. The assessment will be carried out with a strategic macro-level view, having as its scope the entire Secretariat, and will provide an important tool to inform the strategic decision-making process of the Committee. It will also be the starting point for gradually embedding enterprise risk management across the Organization. For this purpose, a network of enterprise risk management focal points will be established, representing all departments and offices in the Secretariat. The implementation of enterprise risk management in selected departments has shown that effective treatment of several strategic-level risks at the department level would require the application of an Organization-wide response.

55. The risk assessment process will begin with the initial risk identification and evaluation and will include individual interviews and workshops with senior managers as well as risk questionnaires and surveys distributed to a representative sample of staff members at different levels, covering all the main areas of the Secretariat.

56. Risks will be aligned and mapped to the underlying strategies, plans and objectives to measure and prioritize the risks inherent in each, identifying and evaluating dedicated internal controls and the required risk management and risk treatment activities designed to effectively mitigate those risks.

57. A full analysis of the results of the assessment, including an outline of the risk universe, risk definitions, a description of the key drivers, and risk heat maps, will be presented to the Management Committee, and the responsible managers in the different areas of the Organization shall define comprehensive risk treatment and response plans that will outline the main controls that management has already established and the additional control and treatment strategies that management plans to introduce to further mitigate risks, as may be appropriate.

C. Internal control framework

58. The results of the assessment shall also provide the basis for the definition of a risk and internal control framework, which will outline the internal control system that governs the functioning of the Organization and provide relevant guidance to managers at all levels.

59. The Office of the Under-Secretary-General of the Department of Management will be responsible for developing the proposed internal control framework for the Secretariat. To ensure the full ownership of the framework across the Organization, the Office of the Under-Secretary-General of the Department of Management will convoke a working group, comprised of members of the relevant functional areas of the Secretariat, to work on a preliminary draft. The resulting proposal will provide

the basis for a comprehensive consultation process with the oversight bodies, including the Independent Audit Advisory Committee, and will be presented to the Management Committee for its approval.

60. This document, which will complement the adopted enterprise risk management and internal control policy and methodology, will provide an important reference for managers, outlining the integrated risk and internal control framework applied across the Secretariat.

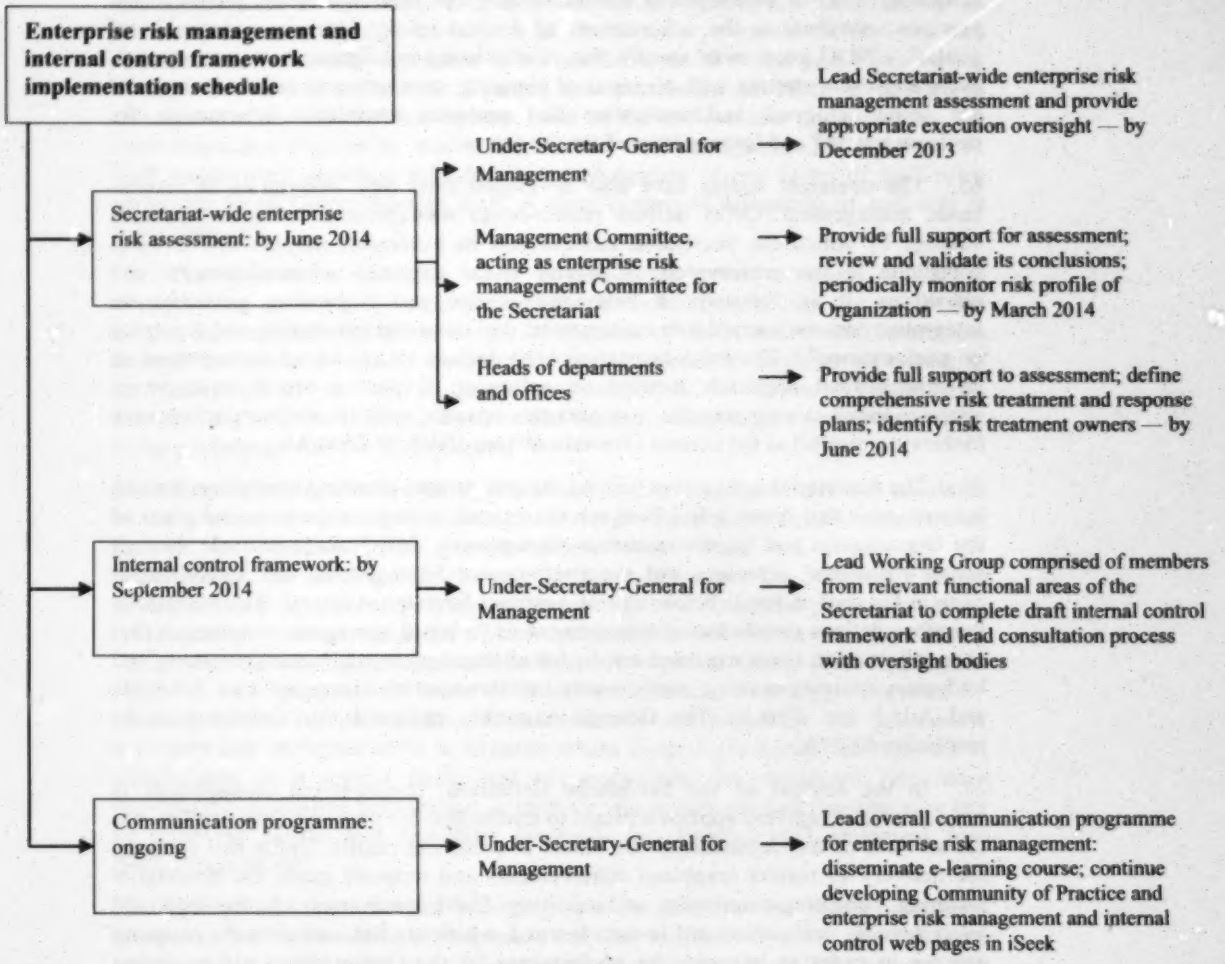
D. Other activities

61. In support of the adoption of an effective enterprise risk management framework, the Office of the Under-Secretary-General of the Department of Management will also continue to work on the implementation of a communications programme, including the dissemination of the e-learning course and plan train-the-trainer sessions with the network of enterprise risk management focal points, as may be deemed necessary. The official responsible for enterprise risk management will also continue to further develop the enterprise risk management and internal control web pages on iSeek and, most importantly, the community of practice on Unite Connections, enhancing its functionality and establishing dedicated thematic subcommunities. The opportunity to suggest or collaborate with other parts of the system to organize further system-wide workshops on enterprise risk management, such as the High-level Committee on Management session organized in June 2011, will also be explored.

62. In support of the enterprise risk management programme, the Secretariat will rely on information technology in the near future to computerize many of the processes and reports critical to the programme's successful implementation. The official responsible for enterprise risk management implementation in the Secretariat will continue to discuss with the Office of Information and Communications Technology and Umoja, with a view to proceeding with one of the potential options available.

63. Figure I below shows the schedule and parties responsible for conducting the Secretariat-wide risk assessment, the development of an internal control framework and the launch of a communications strategy for enterprise risk management.

Figure I
Enterprise risk management and internal control framework implementation schedule


Enterprise risk management and internal control framework implementation schedule
Secretariat-wide enterprise risk assessment: by June 2014
Under-Secretary-General for Management
Lead Secretariat-wide enterprise risk management assessment and provide appropriate execution oversight — by December 2013
Management Committee, acting as enterprise risk management Committee for the Secretariat
Provide full support for assessment; review and validate its conclusions; periodically monitor risk profile of Organization — by March 2014
Heads of departments and offices
Provide full support to assessment; define comprehensive risk treatment and response plans; identify risk treatment owners — by June 2014
Internal control framework: by September 2014
Under-Secretary-General for Management
Lead Working Group comprised of members from relevant functional areas of the Secretariat to complete draft internal control framework and lead consultation process with oversight bodies
Communication programme: ongoing
Under-Secretary-General for Management
Lead overall communication programme for enterprise risk management: disseminate e-learning course; continue developing Community of Practice and enterprise risk management and internal control web pages in iSeek

X. Performance reporting, implementation of the results-based management framework and results-based management information system

A. Concept of results-based management in the United Nations

64. As requested by the General Assembly, in its resolution 64/259, this section of the report proposes a conceptual framework for results-based management in the Secretariat. Currently there is no universally accepted definition for results-based

management in the United Nations system, as different organizations have developed different definitions regarding this concept. The United Nations Development Group (UNDG) defines results-based management as "a management strategy by which all actors on the ground, contributing directly or indirectly to achieving a set of development results, ensure that their processes, products and services contribute to the achievement of desired results (outputs, outcomes and goals)". UNDG goes on to specify that results-based management is seen as a life cycle approach, starting with elements of planning, monitoring to ensure that results are being achieved, and evaluation that provides invaluable information for decision-making and lessons learned for the future.[7]

65. The oversight bodies have also developed their own definitions of results-based management. OIOS defines results-based management as "a management strategy by which the Secretariat ensures that its processes, outputs and services contribute to the achievement of clearly stated expected accomplishments and objectives. It is focused on achieving results and improving performance, integrating lessons learned into management decisions and monitoring and reporting on performance".[8] The Joint Inspection Unit defines results-based management as "a management approach focused on achieving results; a broad management strategy aimed at changing the way agencies operate, with improving performance (achieving results) as the central orientation" (see JIU/REP/2004/6).

66. The Secretariat goes a step beyond the programme planning/evaluation/lessons learned cycle and draws a link between the overall strategic objectives and plans of the Organization and human resources management. This linkage is made through senior managers' compacts and the Performance Management and Development System for staff at levels below that of Assistant Secretary-General. The Secretariat therefore defines results-based management as "a broad management approach that uses information about expected results for strategic planning, human resources and budgetary decision-making, performance measurement and learning" (see A/62/701 and Add.1 and Corr.1). The General Assembly endorsed this definition in its resolution 63/276.

67. In the context of the Secretariat definition, results-based management is viewed as an integrated approach meant to ensure that the processes, the outputs and the services of the Organization are aimed at achieving results. Under this strategy, the delivery of results (expected achievements and outputs) guide the Secretariat planning, budgeting, monitoring and reporting. These processes are further informed by systematic evaluations and lessons learned, which are fed back into the planning process in order to improve the performance of the Organization and to define human resource strategies that are directly linked to the objectives of the Organization.

68. It must also be noted that effective results-based management is predicated on having the necessary financial resources for mandate implementation. In this area, additional mandates coming from Member States, without a corresponding increase in resources, have been a recurring challenge for the Secretariat.

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[7] See "Result-based Management Handbook: Strengthening RBM harmonization for improved development results", United Nations Development Group, 2010.

[8] Office of Internal Oversight Services, "Glossary of Monitoring and Evaluation Terms".

B. Initiative undertaken thus far

69. Over the years, the Secretariat has used a phased approach for the implementation of results-based management through the introduction of appropriate tools as necessary. A clear accountability system has been established for the Secretariat through the report of the Secretary-General (A/64/640), and endorsed by the General Assembly in its resolution 64/259. The new Performance Management and Development System was introduced in 2010 to strengthen managerial accountability and address most of the deficiencies underlined by the Joint Inspection Unit in its reports on results-based management.[9] The reform of staff employment contracts included the promulgation of one series of staff rules applicable to all United Nations staff. A clear system of delegation of authority is being defined.

70. The Secretariat has also been implementing other measures aimed at strengthening results-based management that include strengthening the integration of the institutional objectives in the workplans of individual senior managers through the senior managers' compacts; reflecting these institutional objectives in the workplans of staff at all levels, as established in the new Performance Management and Development System; and linking performance of senior managers to the performance of the Organization.[10]

71. Although there is room for improvement, the key steps, policies and standards of the concept of results-based management in the Secretariat already exist, which include: (a) Member States provide directives, priorities and targets for the Organization; (b) the Secretary-General translates these into the proposed biennial strategic framework, part one: plan outline; and part two: biennial programme plan; (c) programme managers undertake planning intended to achieve results, establishing the appropriate assumptions that will facilitate their achievements; (d) budgeting for results is undertaken, on the basis of directives, priorities and targets provided by Member States; (e) performance is continuously monitored by the programme managers and implementation is adjusted where needed; (f) results are reported to stakeholders on a regular basis; and (g) evaluations are conducted, and more importantly, evaluative information is used for improvements and learning as a key to achieving results and providing feedback for planning and budgeting (see A/62/701, para. 67).

72. Internal management and reporting systems, such as the senior managers' compacts, the Performance Management and Development System, programmatic monitoring and reporting and self-evaluation activities, as well as training and learning, underpin these elements in the cycle. What is needed is a concerted effort

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[9] This new performance management system, among other things, increases the connections between workplans and the United Nations programme and planning documents; introduces a simplified and more clearly defined rating scale (from 1 to 4, rather than from 1 to 5); strengthens managers' options for handling underperformance; and streamlines the rebuttal process (limited to those that do not meet performance expectations).

[10] The terms of reference of the Management Performance Board were modified as at 15 April 2010 to include as one of its functions the responsibility to "monitor the performance of senior managers and heads of mission in achieving the objectives, results and targets contained in … the programme and planning documents" (see ST/SGB/2010/4). To operationalize this change, a mechanism was instituted in 2011 by which the programme performance reports and the senior managers' compacts are assessed simultaneously by the Management Performance Board.

by management and staff at all levels to make this integrated management system work better, with the understanding that in an organization as complex and diverse as the United Nations Secretariat, results-based management will remain an evolving process.

C. Governance structure for results-based management in the Secretariat

73. The implementation of results-based management involves focusing on results and generating and collecting data and evidence on the results achieved. It also involves developing an effective governance structure that allows results-based management to move forward with clear lines of responsibility and effective monitoring, reporting and accountability systems. Drawing on lessons learned from the Umoja experience, where recent changes in its governance structure have substantially altered the direction of this project for the positive, the Secretariat is proposing to introduce a governance structure for results-based management that will include the following:

(a) The Secretary-General, as Chief Administrative Officer of the Organization, is ultimately responsible for the success of results-based management. In this task he will be supported by the Under-Secretary-General for Management, who is designated as the senior official responsible for the implementation of results-based management. This designation responds to the encouragement of Member States, contained in paragraph 25 of resolution 64/259, that the Secretary-General assign "the responsibility for the successful implementation of results-based management methodology throughout the Secretariat to a relevant member of his senior management team";

(b) "Process owners" for the different areas involved in the implementation of results-based management, who will be assigned specific responsibilities under this initiative and mechanisms for holding them accountable for the delivery of results they are expected to achieve.

74. Underpinning the role of the senior responsible official, the Management Performance Board, as the body responsible for overseeing the performance of senior managers and the institutional performance of the Organization, will discharge its responsibilities through regularly scheduled and ad hoc meetings, as required.

75. This governance structure is a departure from previous proposals, which called for the creation of a specific structure responsible for the implementation of results-based management (see A/62/701 and Add.1 and Corr.1 and A/64/640) and is in line with the intention of the Secretariat to build a leaner Organization in the programme support areas.

76. The purpose of this governance structure will be to embed results-based management throughout the Organization through the work of the "process owners" referred to in paragraph 73. At the same time, assigning specific responsibilities for results-based management at the senior-most levels of the Organization demonstrates the high-level commitment of the Secretariat to its success.

77. The Secretariat foresees that this will be a process of continuous improvement, where two important areas will need special attention:

(a) The challenge of defining and verifying the results of the work of the Secretariat work if the Organization is to meet stakeholder expectations of results-based reporting;

(b) The challenge of capturing data pertaining to the specific results of the interventions of the Secretariat and of assessing and describing the impact (i.e., what achievements can be specifically attributed to the action of the Secretariat?).

78. Notwithstanding these challenges, by fully embedding results-based management throughout the Secretariat, the Organization will be able to demonstrate how its activities lead to the achievement of expected results and improve its performance management.

D. Application of results-based management throughout the programme cycle and the role of the process owners

79. This section briefly describes the different phases of the programme planning, budgeting, monitoring, evaluation and reporting cycle in the context of results-based management.

Planning and budgeting for results: strategic framework and programme budget

80. The programme cycle in the United Nations begins with preparation of the strategic framework,[11] which currently consists of: (a) part one: plan outline, reflecting the longer-term objectives of the Organization; and (b) part two: biennial programme plan. Part two follows results-based budgeting principles in presenting logical results frameworks for all the subprogrammes within the Secretariat and constitutes the basis for the preparation of the proposed programme budget. In this respect, the starting point for the results-based management cycle in the Secretariat is the strategic framework.[12]

81. The Controller will continue to provide clear guidelines to heads of departments, offices, and missions, prepared by the Programme Planning and Budget Division and the Peacekeeping Financing Division, in order to ensure that programme planning documents of the Organization are formulated in accordance with the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2000/8).

82. Heads of departments, offices and missions will use this guidance to improve the quality of logical frameworks and the overall quality of the planning and budget documents, and they will ensure that the overall objectives of the Organization as established in the programme planning documents are reflected in the workplans of all staff members under their supervision.

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[11] The General Assembly, in its resolution 58/269, para. 5, of 23 December 2003, requested the Secretary-General to prepare on a trial basis a strategic framework to replace the four-year medium-term plan; in resolution 62/224, para. 5, of 22 December 2007, the General Assembly approved continuation of the strategic framework by endorsing the recommendations of the Committee for Programme Coordination in its report (A/62/16).

[12] There is no strategic framework for the peacekeeping and support account areas, but these budgets are prepared following the principles of the logical frameworks. Therefore, weaknesses in the logical frameworks identified in this report also relate to these two areas.

Monitoring of programme implementation and reporting on results

83. The Secretariat reports its performance in the context of the established objectives included in the programme budgets to the General Assembly at the end of every biennium in the form of a programme performance report.[13] The content and frequency of the programme performance report is governed by the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.

84. The Programme Performance Report contains an assessment of progress towards objectives and expected accomplishments by each programme, as well as explanations for lack of progress where applicable. Programme managers are accountable for the reporting of results as measured by indicators of achievement. The Secretariat monitors these accomplishments and reports to Member States on results through the established channels.

85. The efforts undertaken to improve the strategic framework and the peacekeeping budgets will contribute to better reporting, as the logical frameworks established therein constitute the basis for reporting.

86. The Office of the Under-Secretary-General of the Department of Management and in the case of peacekeeping operations, the Controller, will issue guidelines and ensure the preparation of the performance reports following a results-based approach and including output delivery.

87. Heads of departments, offices and missions will work under the guidance of the Department of Management to monitor programme implementation and report on achievements following a results-based approach. They shall also report on outputs as established by the relevant regulations and rules.

88. Two computer-based systems, which are not linked to one another, support the programme planning and monitoring activities of the Organization. The Integrated Monitoring and Documentation Information System (IMDIS) is an Internet-based system used in the preparation of both the strategic framework and the programme budget to capture information on programmatic content. It is also used for monitoring the implementation of programme of work, organizing and storing data on performance, and the preparation of the programme performance report. The Integrated Management Information System (IMIS) is the principal electronic system for the management of human and financial resources in the United Nations Secretariat. It supports personnel, finance, payroll, procurement, travel and related administrative functions and is at the core of many administrative workflows.

89. In its resolution 63/276, the General Assembly requested the Secretary-General to report on "clear and specific measures to ensure the access of Member States to timely and reliable information on results achieved and resources used by the United Nations Secretariat". In its resolution 64/259, the General Assembly requested the Secretary-General, "in future budget performance reports, to make efforts to provide a greater degree of analysis of data on the utilization of resources and to include subsequent trends over past budget periods in order to make the performance reports a more useful accountability and monitoring tool for Member

[13] Peacekeeping missions report annually and separately on their performance using the same guidelines as established in Secretary-General's bulletin ST/SGB/2000/8.

States". In the context of the design of Umoja Extension 2, the feasibility of linking resources to results will be assessed.

Evaluation and feedback

90. Evaluation and feedback are critical to good results-based management practice. Whereas monitoring can identify shortfalls in meeting targets or expected accomplishments in the course of programme implementation, evaluations are necessary to determine the nature and the cause of the shortfalls and ways to correct them. When planning for future programme cycles, evaluation findings and lessons learned prove valuable.

91. Self-evaluation is the responsibility of every individual programme manager and should become a standard mechanism used throughout the Secretariat to determine the relevance, the efficiency, the effectiveness and the impact of the Organization in terms of programme delivery. The budget instructions for formulating the programme budgets already require programme managers to describe the self-evaluation systems in place within the programmes, the self-evaluation activities conducted in the last biennium and how the results of self-evaluation have been used. In this area, the challenge remains to establish appropriate reporting and monitoring practice along with the required accountability system to make sure these commitments are being met, and to support departments and offices with the required expertise to carry out self-evaluations.

92. In the case of peacekeeping missions, the self-evaluation plans are determined at the end of each peacekeeping budget cycle by the Senior Management Teams in both the Department of Peacekeeping Operations and the Department of Field Support, and the Department of Peacekeeping Operations-Department of Field Support Evaluation Team in the Policy, Evaluation and Training Division conducts the evaluations in order to strengthen the performance of peacekeeping missions worldwide. The Evaluation Team also conducts evaluations of the Department of Peacekeeping Operations and the Department of Field Support at Headquarters.

93. In order to strengthen the self-evaluation capabilities of the Secretariat, the Office of the Under-Secretary-General of the Department of Management and the Office of Human Resources Management will organize several training workshops this year to be led by external experts and/or specialists from those departments and offices within the Secretariat that have expertise in the subject area. These workshops will cover basic best practices of self-evaluation concepts and practices, such as what constitutes a genuine self-evaluation and the recommended periodicity of conducting self-evaluations.

94. The timing of external evaluations has posed limitations in their use. Too often the evaluations are not well synchronized with the needs of the programme planning process. Better efforts are required to assure that evaluation reports become available in time to be used in the programme planning process. Although the Secretariat can work in close coordination with both OIOS and the Joint Inspection Unit to make sure that their reports will be finalized in time to make them available to programme managers for their programming and budget exercises, a more ambitious approach might require taking a closer look at the timeframes in which the intergovernmental processes take place, which is not the subject of the present report.

95. Heads of departments, offices and missions in the Secretariat will be required to ensure that the self-evaluation plans as established in the programme budget, and by the senior management teams in the Department of Peacekeeping Operations and the Department of Field Support, are duly implemented. In addition, these officials will be responsible for ensuring that the lessons learned and findings of the self-evaluations and independent evaluations conducted by OIOS and the Joint Inspection Unit are fully incorporated into the programme planning and management processes of their respective departments, offices and missions.

Results-based management: human resources management and institutional objectives

96. To firmly anchor results-based management in the Organization as a management strategy, the linkage between human resources management and the overall strategic objectives of the Organization must be established. This linkage is being built through senior managers' compacts and the Performance Management System for staff at all levels below that of the Assistant Secretary-General, as the workplans contained in these documents are required to be consistent with the mandates, the objectives and the goals of the Organization. As stated in paragraph 82, heads of departments, offices and missions will be responsible for guaranteeing that the objectives and the goals of the Organization are reflected in the workplan of managers and staffs at all levels. This connection between organizational objectives and the workplans is intended to relate institutional and individual accountability in a way that will cascade down through the successive layers of the Organization personnel.

97. These interlinked agreements between staff and managers will constitute the fundamental building blocks for committing staff at every level to the achievement of specific results. This cascading effect will also have a significant impact on human resources planning in the Organization, as the requirement to achieve the institutional objectives will become the cornerstone for identifying the current and future human resources needs of the Organization.

98. To strengthen this linkage, the Management Performance Board will support the Under-Secretary-General for Management by:

(a) Ensuring that the overall objectives of the Organization are effectively integrated into the senior managers' compacts with the Secretary-General;

(b) Assessing the performance of senior managers in achieving the objectives, results and targets contained in the compacts and programme planning documents of the Organization and issuing the corresponding recommendations to the Secretary-General and the senior managers (see ST/SGB/2010/4, sect. 1.1 (b));

(c) Ensuring that the Performance Management and Development System is achieving intended results.

Results-based management: interdependencies with other ongoing change initiatives

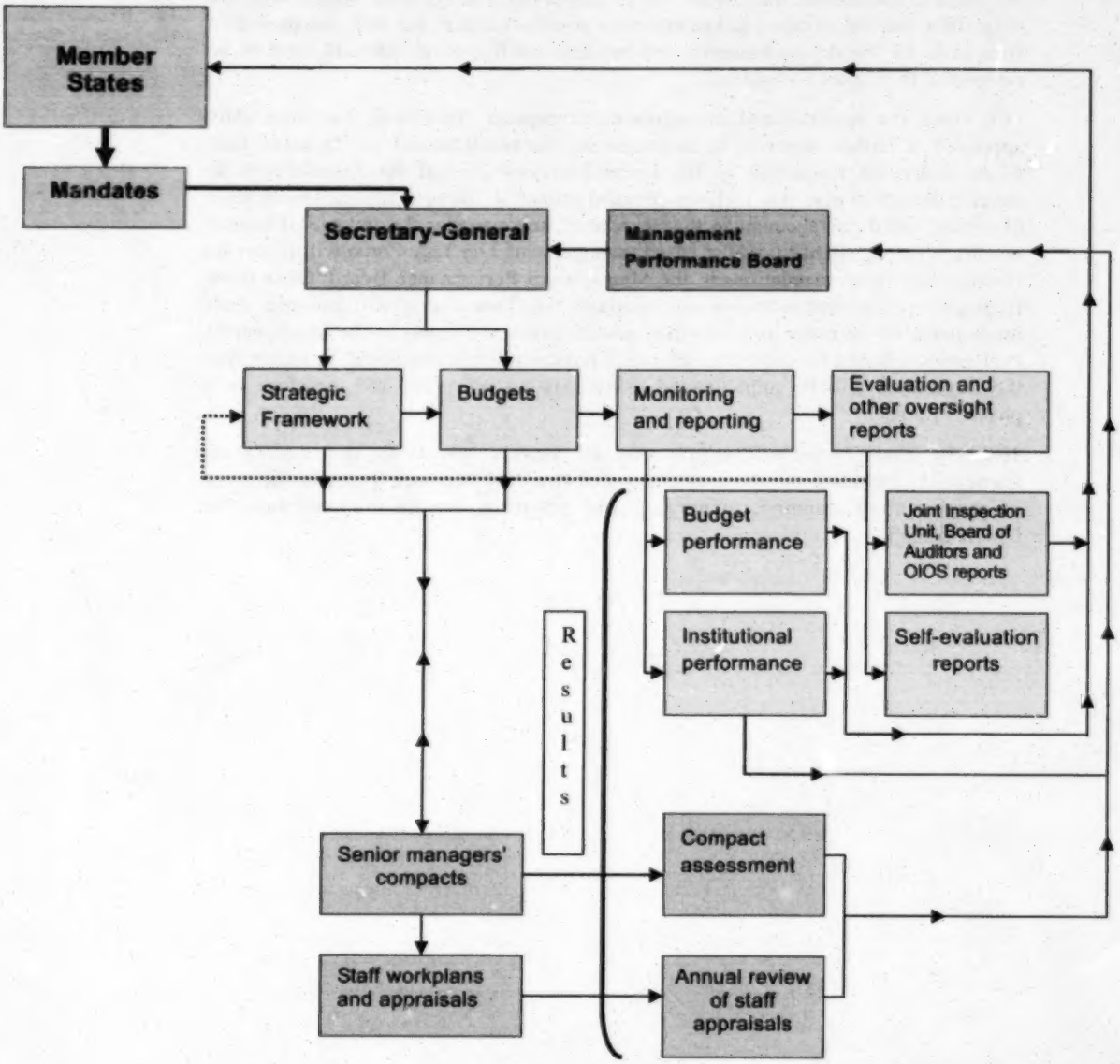
99. Improving the implementation of results-based management in the Secretariat is interdependent with other change initiatives under way, in particular with Umoja. The programme cycle described above will be part of Umoja Extension 2 (2015-2017) (see A/67/360).

100. It will be important to establish an overall framework to guide the work of the Organization in this area, and it is therefore important for Member States to approve the present conceptual framework for results-based management, which will not only allow the Organization to become more results-oriented, but will also provide a firm basis for the design blueprint and baseline configuration that will need to be completed for Umoja Extension 2.

101. Once the results-based management conceptual framework has been duly approved, a further step will be to reconvene the results-based management Task Force under the leadership of the Under-Secretary-General for Management to develop an action plan that includes specific actions to improve the implementation of results-based management in the Secretariat, in particular the linkage of human resources management to results-based management. The Task Force will report its findings and recommendations to the Management Performance Board. Once these findings and recommendations are adopted, the Task Force will monitor their implementation in order to assess their effectiveness and report to the Management Performance Board for corrective actions if required. It must be noted, however, that the framework will be implemented using existing resources and therefore in a phased approach.

102. The Task Force will ensure that all aspects related to this conceptual framework, including the requirements put forward by Member States in the areas of programming planning, monitoring and reporting, are incorporated into the Umoja design.

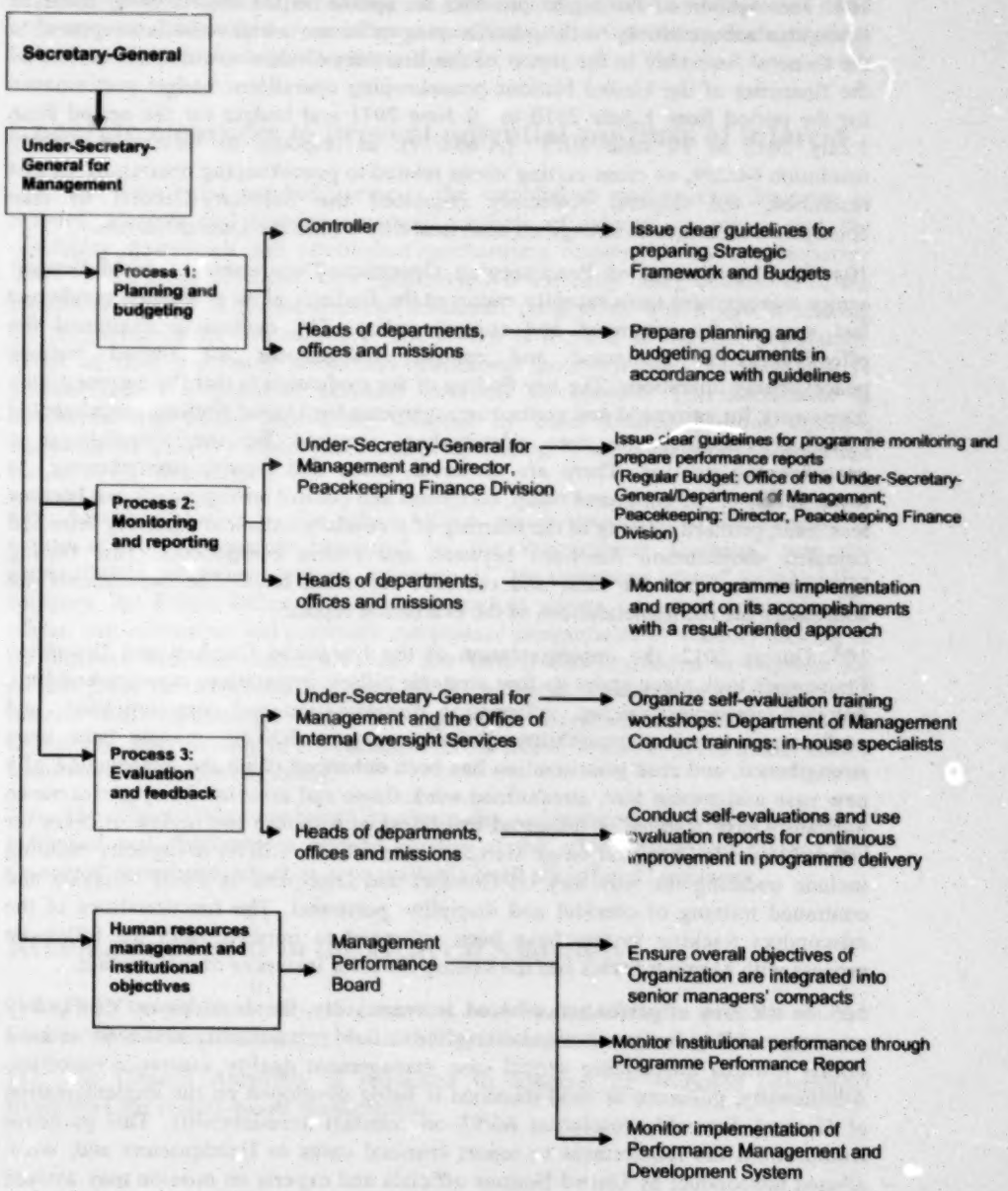
Figure II
Conceptual framework for results-based management



Results-based management is an integrated approach to management comprising results-based budgeting, human resources management and the Management Performance Board that serves as the platform to link institutional and personal performance.

Results are at the core of the management strategies of the Secretariat.

Figure III
Results-based management process-owners


Secretary-General
Under-Secretary-General for Management
Process 1: Planning and budgeting
Controller
Issue clear guidelines for preparing Strategic Framework and Budgets
Heads of departments, offices and missions
Prepare planning and budgeting documents in accordance with guidelines
Process 2: Monitoring and reporting
Under-Secretary-General for Management and Director, Peacekeeping Finance Division
Issue clear guidelines for programme monitoring and prepare performance reports (Regular Budget: Office of the Under-Secretary-General/Department of Management; Peacekeeping: Director, Peacekeeping Finance Division)
Heads of departments, offices and missions
Monitor programme implementation and report on its accomplishments with a result-oriented approach
Process 3: Evaluation and feedback
Under-Secretary-General for Management and the Office of Internal Oversight Services
Organize self-evaluation training workshops: Department of Management
Conduct trainings: in-house specialists
Heads of departments, offices and missions
Conduct self-evaluations and use evaluation reports for continuous improvement in programme delivery
Human resources management and institutional objectives
Management Performance Board
Ensure overall objectives of Organization are integrated into senior managers' compacts
Monitor Institutional performance through Programme Performance Report
Monitor implementation of Performance Management and Development System

XI. Strengthening accountability in the field missions

103. This section of the report provides an update on the efforts being made to strengthen accountability in the peacekeeping missions, which were last reported to the General Assembly in the report of the Secretary-General entitled "Overview of the financing of the United Nations peacekeeping operations: budget performance for the period from 1 July 2010 to 30 June 2011 and budget for the period from 1 July 2012 to 30 June 2013" (A/66/679), in response to General Assembly resolution 64/269, on cross-cutting issues related to peacekeeping operations. In that resolution, the General Assembly requested the Secretary-General to take appropriate measures to strengthen accountability within the United Nations.

104. The Department of Peacekeeping Operations/Department of Field Support senior management team recently endorsed the findings of an evaluation conducted last year of its command and control policy. The evaluation examined the effectiveness of command and control arrangements for United Nations peacekeeping operations. The key finding of the evaluation is that the current policy framework for command and control arrangements for United Nations peacekeeping effectively outlines the core relationships required for the operation of a peacekeeping mission. There are, however, areas that require strengthening. At lower levels of the command chain, command and control arrangements can become less clear, primarily owing to the blurring of secondary technical reporting lines and complex coordination functions between and within components. This finding highlights the need for clear and enforced reporting lines. The departments are addressing the recommendations of the evaluation report.

105. During 2012, the implementation of the Integrated Conduct and Discipline Framework took place under its four strategic pillars: integration; capacity-building; outreach, awareness-raising, information dissemination and communication; and performance-based accountability. Existing support delivery models have been strengthened, and case prioritization has been enhanced. With the introduction of a new case assignment tool, streamlined work flows and associated key performance indicators have resulted in increased timeliness of response and review of cases for referral towards Organization or Member State actions. Efforts in capacity-building include updating the Advisory on Conduct and Discipline in Field Missions and continued training of conduct and discipline personnel. The functionalities of the misconduct tracking system have been enhanced to improve both the follow-up process with Member States and the vetting for prior instances of misconduct.

106. In the area of performance-based accountability, the development of a policy on accountability for conduct and discipline in field missions has advanced, as have efforts towards introducing annual case management quality assurance exercises. Additionally, guidance to field missions is being developed on the implementation of General Assembly resolution 66/93 on criminal accountability. This guidance would stress the requirement to report criminal cases to Headquarters and, when alleged misconduct by United Nations officials and experts on mission may amount to a crime, remind missions of the obligation to cooperate with the host States in carrying out all necessary investigations.

107. The Secretariat has also responded directly to the concerns that were identified through a recent survey of ethics and reputational risk concerning management accountability and awareness-raising. The results of the survey are

being shared with participating missions, and a stocktaking of training and awareness-raising activities related to ethics and conduct and discipline issues has been undertaken. Updated performance indicators and guidance on how to use these indicators in addressing serious allegations of misconduct are being drafted, which will include prevention and remedial activities.

XII. Concrete measures to prevent potential conflicts of interest

108. The Secretariat regularly reviews the established mechanisms designed to prevent, identify and manage personal conflicts of interest to ensure that the regulatory framework and established mechanisms respond to the contemporary needs of the United Nations. One such review is currently being conducted of the regulatory framework for the financial disclosure programme with a view to making the programme more risk sensitive. The review is focused on the filer population, depth of data disclosed, awareness/educational potential, and interventions to address real and potential personal conflicts of interest. The Secretariat is monitoring risk-based approaches adopted by other United Nations entities, including the United Nations funds and programmes, to see what could be modified for use in the Secretariat.

109. Another initiative by the Ethics Office, which responded to the increase in ethics advisory assistance requested by the Procurement Division, was the establishment of a new advice category of "procurement ethics". Under this category, the Ethics Office provides independent advice on issues related to the ethics, anti-corruption and corporate compliance programmes of vendors seeking to do business with the United Nations. The Office also responded to requests for advice from the Procurement Division on potential organizational conflicts of interest and reputational risks and provided independent technical support concerning issues arising in connection with the implementation of the model policy framework on vendor eligibility.

110. The Ethics Office continues its awareness and outreach activities. In 2012 it published and distributed a revised version of the ethics guide and revised and revamped its website, which is now available in all six official languages.

XIII. Recommendations to the General Assembly

111. The General Assembly is requested to take note of the progress of the Secretariat in strengthening its accountability system, as described in this report.

112. The General Assembly is requested to endorse the proposed conceptual framework for results-based management.

Annex

Statistical information regarding select accountability tools

I. Human resources management scorecard

1. The human resources management scorecard replaced the human resources action plan in 2011. Since that time, the following trends have been observed:

(a) Staffing timeline: as discussed in the report of the Secretary-General (A/67/324, para. 35), for the first half of 2012 the average time for roster and non-roster based non-field selections was 183 days, an improvement from 187 days in 2011. Roster-based selections for non-field entities took an average of 77 days in 2012, an improvement from 2011, when it took an average of 112 days. The average time for non-field, non-roster selections in 2011 was 213 days, while in 2012 it was 212 days;

(b) Vacancy rate: during the first half of 2012, overall non-field operations achieved a vacancy rate of 11 per cent — one percentage point below their overall target of 12 per cent — while overall field operations achieved their target of 14 per cent;

(c) Representation of women in all categories: with a representation level of 49 per cent overall, non-field entities are within one percentage point of achieving the goal of 50/50 gender balance. Meanwhile, for the field it has remained at 21 per cent since 2011 (29 per cent representation of women at the international staff level, 17 per cent representation at the local staff level);

(d) Representation of women in senior positions: representation of women in senior positions (P-5, D-1 and D-2 levels) has remained stable. In the first half of 2012, non-field entities had 30 per cent women in senior positions, while field entities had 20 per cent. An analysis of the 468 senior-level non-field selections made between January 2011 and September 2012 revealed that only one out of every four applications received are from women, suggesting that further outreach and in-reach may be required to attract a larger number of qualified female applicants;

(e) Geographical representation: in 2012, there was an increase in the number of selections of un- or underrepresented Member States to geographical posts. In January 2012, just over half of the selections made to geographical posts were for individuals from un- or underrepresented Member States, while in November 2012 this figure increased to more than two-thirds;

(f) Operational indicators: operational indicators are a work in progress as some data reporting issues are overcome. Yet, some indicators are showing positive results. For example, in non-field entities the number of temporary appointments of more than 729 days has been reduced by half between 2011 and 2012, and the percentage of staff working above retirement age has dropped to 0.6 per cent of the total staff population.

II. Senior managers' compacts

2. The compacts have had a noticeable impact on senior managers' performance on key managerial indicators. The level of satisfactory performance on the standard managerial indicators included in all senior managers' compacts improved from

39 per cent in 2008 to 63 per cent in 2011. While this overall average requires further improvement, performance on several of the individual indicators has improved dramatically. For example, in 2008, only 25 per cent of senior managers met the target related to the implementation of oversight body recommendations. By 2011, 86 per cent of senior managers had reached the target. Performance on the indicator related to meeting slot dates of the Department for General Assembly and Conference Management improved from 39 per cent in 2009 to 64 per cent in 2011. Similarly, compliance with the financial disclosure requirements increased from 61 per cent in 2007 to 100 per cent in 2011.

3. These trends suggest that when managers are aware of key requirements and know that their performance will be assessed by the Management Performance Board and published on iSeek, they take the necessary actions to monitor and improve their performance. The Management Performance Board proactively supports this continual improvement by providing detailed feedback to each senior manager following the annual performance assessment and requiring action plans for improving performance or periodic updates on weak areas of performance. These updates can range from monthly reporting on individual indicators to semi-annual reporting on all areas of weakness.

4. One indicator against which performance initially improved but eventually levelled off is related to the timely and complete submission of budget-related documents. Performance dramatically increased from a compliance rate of 36 per cent in 2008 to 68 per cent in 2009, but then dropped to 59 per cent in 2010 and 2011. This pattern may suggest that there could be a problem with the indicator itself or a systemic challenge preventing senior managers from meeting the target.

Global distribution of ePAS ratings

(Percentage)

Performance cycle	*Does not meet*	*Partially meets*	*Fully successful*	*Frequently exceeds*	*Consistently exceeds*
2003-2009 average	0.10	1	54	37	8
	Does not meet	*Partially meets*	*Successfully meets*	*Exceeds*	
2010-2011	0.10	1	76	23	
2011-2012	0.10	0.90	77.40	21.70	

III. Programme performance reporting

5. With the increasing attention of the General Assembly being directed towards the progress made in the implementation of accountability framework of the Secretariat, institutional performance reporting, although more than three decades old, is receiving renewed emphasis. In recent years, the General Assembly has taken note of the enhanced quality of reporting programme performance by making specific references to sections of the report providing a comprehensive overview of the performance of the Secretariat and a wider coverage to reporting on the regular programme of technical cooperation.

6. The General Assembly has also constantly reminded the Secretariat to pay closer attention to deviations reported in the implementation of outputs when compared to the commitments made in the programme budgets. As a result, additions and terminations of programmed outputs are subjected to rigorous monitoring and detailed explanations justifying the deviations are now being included in the Programme Performance Report. The implementation rate of programmed outputs has shown a steady trend in the past three bienniums at 89 to 90 per cent; the rate of additions to programmed outputs declined from 16 per cent in 2006 and 2007 to 12 per cent in 2010 and 2011. The rate of postponements of outputs registered a marginal decline in 2010 and 2011 when compared to 2006 and 2007; the rate of terminations increased by one percentage point during the same period.

7. Succinct results for the expected accomplishments continue to inform about the progress made in the respective programme areas of the Secretariat.

Taking corrective action against wrongdoing

Table 1
Cases of misconduct and related disciplinary actions

		Type of disciplinary action taken			
	Category of misconduct	*Dismissal*	*Separation from service*	*Other disciplinary measures including demotion/loss of step(s)/fine/censure etc.*	*Total cases*
1	Abuse of authority	6	4	10	20
2	Assault	7	3	15	25
3	Fraud/misrepresentation	48	33	29	110
4	Sexual abuse and exploitation	17	2	1	20
5	Theft/misappropriation	21	16	7	44
6	Computer-related misconduct	5	2	58	65
7	Harassment/sexual harassment		2	3	5
8	Gross negligence			4	4
9	Financial disclosure			17	17
10	Violation of local laws		2	2	4
11	Retaliation			2	2
12	Misuse of United Nations assets			8	8
13	Unauthorized activities, procurement irregularities and conflict of interests	8	2	6	16
14	Other	8	3	37	48
	Total	**120**	**69**	**199**	**388**

Figure I
Types of disciplinary actions taken in cases of misconduct

IV. Financial disclosure programme

8. The financial disclosure programme has enhanced the awareness of participating staff of the need to protect themselves and the United Nations against reputational risk and personal conflicts of interest. Since 2006, when the financial disclosure programme was expanded to cover additional categories of staff, the programme has reviewed over 19,000 individual financial disclosure statements. The programme has grown from 1,704 participants in 2006 to over 4,600 in 2012. Because participants are added to the programme upon joining the United Nations, or upon promotion or change in functions, the programme is effective in identifying and managing potential conflicts of interest early on, and prior to actual conflicts emerging.

9. Since 2006, over 109,000 e-mail and telephone communications have been held between staff members and the external reviewer regarding the review of staff financial disclosure statements. The enhanced awareness of conflicts of interest is further evidenced by the development of a securities pre-clearance programme by the United Nations Joint Staff Pension Fund, and by the decrease in the number of detected conflict cases dealing with financial assets. While 58 such cases were reported in the 2010 financial disclosure programme, only 14 cases arose in 2011.

V. Implementation of oversight recommendations

10. The report of the Board of Auditors on the financial statements for the biennium ended 31 December 2011[a] indicated that of the 72 recommendations made for the biennium 2008-2009, 42 (58 per cent) had been fully implemented, which

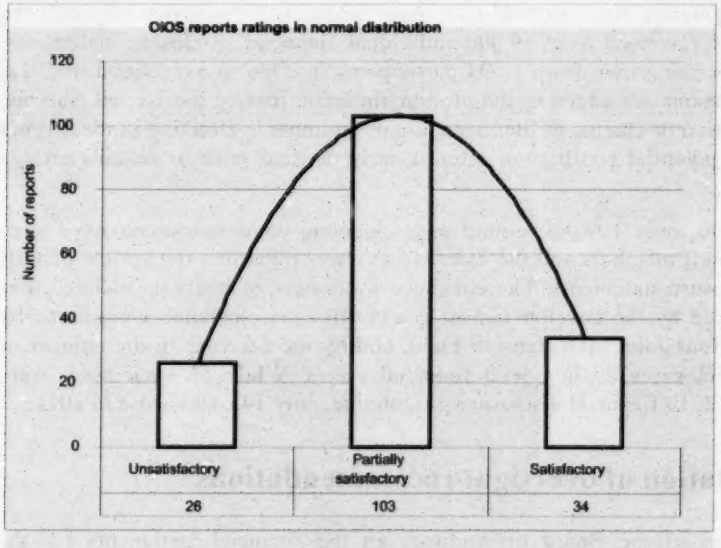
[a] A/67/5 (Vol. I) and Corr.1 and 2.

was an improvement, compared to the 54 per cent rate of implementation in the previous biennium.

11. In the case of the report of the Board of Auditors on the financial statements of the United Nations peacekeeping operations for the 12-month period from 1 July 2011 to 30 June 2012,[b] the Board reported a slight increase in the implementation rate of their recommendations to 45 per cent during the period 2010-2011 from 44 per cent for the previous year 2009-2010. The Board noted that the Administration improved the monitoring of the implementation of the Board recommendations and reinforced the guidance to the missions on issues concerned. The Board also mentioned improvements in the area of personnel, where most of the recommendations were implemented, and welcomed the progress made by the missions in this area.

12. With regard to reports of OIOS, the Management Committee has been placing special attention on the "overall ratings" included in audit reports. OIOS introduced these "ratings" during the third quarter of 2011. Since then and up to the third quarter of 2012, OIOS has issued 171 internal audit reports with the following overall ratings:

- 26 unsatisfactory
- 103 partially satisfactory
- 34 satisfactory
- 8 not rated.[c]



[b] A/67/5 (Vol. II).

[c] These eight reports were issued in the second half of 2011 during the transition period to the new rating system.

13. The data above seem to reflect normal distribution, with the majority of overall ratings being partially satisfactory (103) and with two "tails" (26 unsatisfactory) and (34 satisfactory). Although it is too early to derive any conclusion, these trends are being closely monitored to identify possible patterns and to design corresponding measures to address them.